

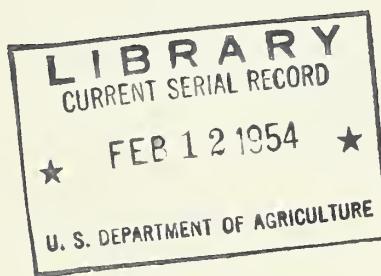
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MARKETING ACTIVITIES



U. S. DEPARTMENT OF AGRICULTURE

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WHICH END UP?

By Ralph L. Baker and Edwin H. Matzen Page 3

Research under an Agricultural Marketing Act contract has conclusively proven that it pays to pack eggs large end up. Dr. Baker is with the Agricultural Experiment Station at Pennsylvania State College and Dr. Matzen is in charge of research, Poultry Division, AMS, USDA.

TURKEY BREAST ROLL

By Rowena S. Mainland Page 6

A new retail product which should help keep turkey a "year-around" bird. Mrs. Mainland, with AMS' Poultry Division, probably is better known to her friends in the trade by her former name, Rowena S. Carpenter.

BANKS IN THE FARM PRICE SUPPORT PROGRAM

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A discussion of CCC financial operations under the price support program, detailing the "key role" of the banking industry, by the Controller of CCC, who also is Director of the Fiscal Division, CSS, USDA.

FEDERAL-STATE MARKETING SERVICE PLAN MATURES

By Forest Hall Page 13

Mr. Hall, now with the information staff of AMS, has covered several of the annual meetings of USDA and State marketing men on this AMAct program. He explains how it has grown and now is clearing up a number of farm marketing problems.

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Which End Up? X

✓ ✓
By Ralph L. Baker and Edwin H. Matzen

Big end up is right end up when it comes to packing eggs for marketing. Producers and handlers who pack eggs the other way around lose money, because such eggs generally are graded lower in the candling process.

The fact that eggs packed and shipped large end up grade higher than eggs packed little end up has been conclusively demonstrated in a research project recently conducted by the Agricultural Experiment Station at Pennsylvania State College in cooperation with the U. S. Department of Agriculture.

Fortunately, the study also revealed that the proper practice of packing eggs big end up seems to be pretty well established. Only a small percentage of the eggs examined were packed little end up, but there was a wide variation in the degree of proper packing among producers at the five egg handling plants cooperating in the study.

Packing Method Affects Grade

Differences in grade yields between eggs packed small end up compared with those packed large end up were substantial, the research revealed. For example, where over 90 percent of the eggs packed large end up graded "A" or better, more than 75 percent of those packed small end up graded "B" or lower. (See graph page 4.)

On the basis of various price differentials between eggs grading "A" and above and those grading "B" or lower, losses on eggs packed "wrong end" up ranged from 3.6 cents to 67 cents per case depending on the percentage of eggs packed small end up. (See table page 5.)

Interior Grade Affected by Yolk Position

In wholesale grading of eggs, interior quality, as determined by candling, is a major factor. The centering of the yolk is an important consideration in determining grade. At the usual temperatures at which eggs are held before grading, the yolk is less dense than the white and will rise inside the egg. When eggs are packed large end up, the tendency for the yolk to rise is less apparent. Eggs in which yolks are off center grade lower. This happens when fresh eggs of high interior quality are packed small end up, resulting in losses to producers and handlers.

While the relationship of end up and centering of the yolk has been known for some time, there are still producers and handlers who overlook its significance. In the study, a trained grader licensed for re-

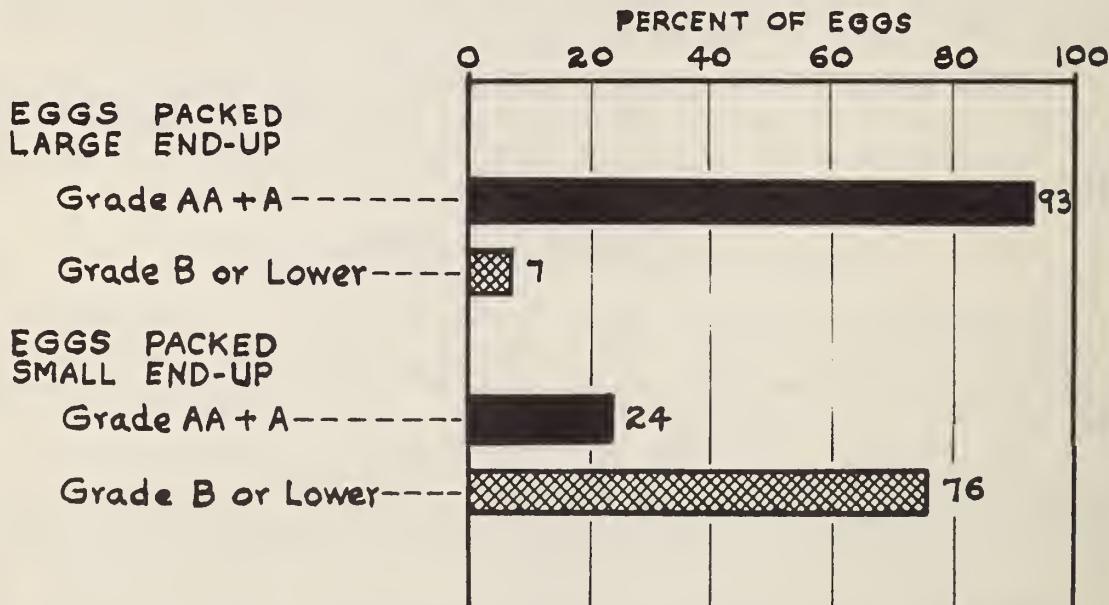
search by USDA and the Pennsylvania Department of Agriculture was used. He graded eggs from 90 producers, 18 at each of 5 Pennsylvania receiving plants. All eggs were picked up on truck routes at farms and presumably were from one day to about a week old at time of grading.

A total of 112,022 eggs were graded during the course of the study. Of these, 6,254, or slightly over 5-1/2 percent, were packed small end up. Approximately 76,000 of the eggs were in packs of "large" eggs, while 36,000 were in "medium" size packs. Nearly 5 percent of the large eggs and over 7 percent of the medium eggs were packed small end up. The higher percentage of medium eggs packed improperly resulted from the fact that 12 percent of this size egg examined at one of the five plants were packed small end up by producers.

What Study Revealed

Nearly four times as many of the eggs packed large end up were graded AA and A on interior quality as compared to those which were packed small end up. About 93 percent of the large-end-up eggs were placed in these two top grades on the basis of interior quality. Only 24 percent of the eggs packed small end up were so graded. Conversely, of the eggs packed small end up, about 76 percent were classified as Grade B or below as compared with only 7 percent of the eggs packed large end up.

GRADE OF EGGS PACKED LARGE AND SMALL END-UP



The table at the top of the next page clearly shows the importance of packing eggs large end up to obtain higher market grades and better prices for a greater proportion of the eggs.

HOW IMPROPER PACKING AFFECTS EGG GRADES AND VALUES

Comparison item	Percentage per case packed small-end-up				
	None	Under 5%	5% to 10%	10% or more	50% *
<u>Grade of eggs:*</u>					
AA and A	93%	91%	88%	78%	58%
B or lower	7%	9%	12%	22%	42%
<u>Value differences - compared with "None" group</u>					
When "AA" and "A" grades are priced above "B" and lower grades by:					
					<u>Cents per dozen</u>
5 cents per dozen	0.10	0.25	0.75	1.75	
10 cents per dozen	0.20	0.50	1.50	3.50	
15 cents per dozen	0.30	0.75	2.25	5.25	
					<u>Cents per case</u>
5 cents per dozen	3.6	7.5	22.5	52.5	
10 cents per dozen	7.2	15.0	45.0	105.0	
15 cents per dozen	10.8	22.5	67.5	157.5	

*--The eggs packed large-end-up in each group of cases averaged 92 or 93 percent grade AA and A. The 50 percent group is hypothetical and represents a situation where no effort is made to pack properly.

While all 90 producers covered in the study packed some eggs small end up, many cases had no eggs packed this way. The sampling was restricted to those cases delivered by producers which averaged four or more eggs packed small end up per case. However, 38 different producers packed enough eggs small end up to be included in the study, which covered 164 different shipments of eggs.

It was obvious from the study that either the emphasis placed on packing eggs large end up varied among the plants studied or else the producers reacted differently to the various plants' programs for proper packing. Practically an equal number of eggs were included in the gradings at each plant, but two-thirds of the deliveries having enough eggs packed small end up to be included in the sampling came from 2 of the 5 plants studied. The remaining one-third was from the other 3 plants.

The study was part of a research program to determine efficient methods of sampling eggs for wholesale grading.

Turkey Breast Roll

By Rowena S. Mainland

Time after time novel ideas in processed foods have belied the old saying "There's nothing new under the sun." Poultry has kept apace with our changing times as processors have offered turkey and chicken in a variety of forms--ready-to-cook, whole or cut up, and either chilled or quick frozen; ready-to-heat, precooked and frozen, fried chicken and croquettes; ready-to-bake frozen chicken pies; and ready-to-eat smoked turkey.

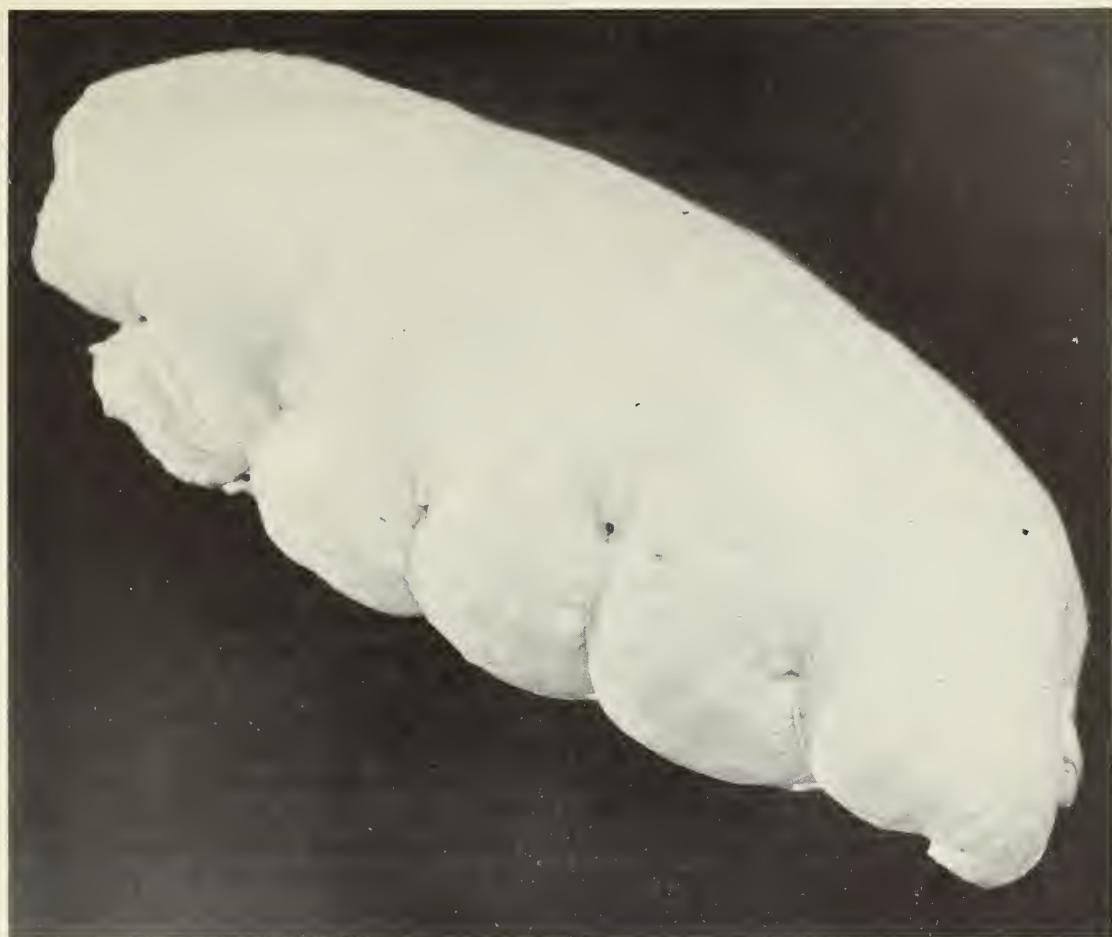
Now the poultry industry directs consumer attention to something else that is really "new under the sun." It's a boneless roast of turkey white meat known as the Turkey Breast Roll--solid tender white meat with not an ounce of waste!

Turkey breast rolls are usually made from very large, young, tender-meated turkeys that weigh from 20 to 30 pounds, ready-to-cook weight. The boned-out breast meat represents about 30 percent of the ready-to-cook bird. A roll made from the whole breast may therefore weigh from 6 to 9 pounds, depending upon the weight and "meatiness" of the turkey from which it was made. By removing the breast meat in two sections, two smaller rolls may be made, each weighing around 3 or 4 pounds.

Once a roll of breast meat has had its close-fitting covering of turkey skin securely sewed with strong twine, it can be divided into two or three smaller roasts, or sliced into steaks. Thus boneless white meat of turkey will be available in an amount and a "cut" to suit a family of any size.

The preparation of the turkey breast roll has been demonstrated extensively in a project on the modern merchandising of poultry. This program has taken the form of training schools in which the retailers who enroll are shown in demonstrations how to do the things that will improve and modernize their merchandising methods. They are also given an opportunity in the classroom to practice new methods of cutting up chickens and turkeys.

The demonstration on turkey cut-ups results in a number of parts in addition to the boneless breast: Thighs, drumsticks, wings in two sections, "cutlets" of breast meat, back strip, neck, soup bones, and the giblets. The cost of these parts to the retailer (based on various wholesale prices of a 25-pound ready-to-cook bird) is figured for the benefit of the class. The meatier, choice parts naturally are priced highest, with back strip and soup bones priced lowest. With this background of training, retailers are prepared to offer consumers a variety of turkey



This is a turkey breast roll made from the whole breast of a very large, but young, bird. Notice how the securely tied skin covers and protects the entire roll. This compact and boneless portion of tasty turkey meat can be cooked as is or cut into smaller portions or steaks.

parts, including a selection to fit every pocketbook and to suit different types of preparation.

The merchandising schools in which this training is given are conducted by the Poultry and Egg National Board, under a contract with the U. S. Department of Agriculture. The program is administered by the Poultry Division of the Agricultural Marketing Service (formerly the Poultry Branch of PMA), under authority of the Agricultural Marketing Act of 1946.

Over 15,000 retailers in 37 States have received training under this merchandising project, and many of them have been shown how to make boneless rolls of turkey breast meat. Retailers in a number of cities have already begun to carry this item, either fresh chilled or frozen. It shouldn't be long now until urban consumers the country over will be seeing this new turkey delicacy in their favorite markets. It's a turkey treat well worth anticipating -- it's "something new under the sun."

Banks In The Farm Price Support Program

By J. J. Somers

For many years commercial banks have cooperated closely with the Commodity Credit Corporation in carrying on the price support program. From the farmer's standpoint, the local "lending agency," usually a country bank, enables him to do business conveniently with people he knows. From CCC's standpoint, lending agencies furnish a broader, more flexible type of operation than otherwise possible.

Banks play a key role in making price support loans on such storable commodities as grain, cotton, rice, wool, flaxseed, soybeans, dry edible beans, and cottonseed. These loans are "non-recourse"; that is, if the market price of the commodity pledged as collateral has dropped below the loan level at the time the loan matures, the farmer may deliver the commodity to the CCC as payment in full.

How Price Support Loans Operate

In obtaining a loan on the various grains and several other commodities, the farmer's first point of contact is the county committee. If the farmer applies for a loan on farm-stored grain, for example, the committee sends a field inspector to the producer's farm to look over the storage facilities, check on the quantity stored, take a sample to test for grade, and affix a seal. If the storage facilities and collateral meet all requirements, the committee makes out a note and a chattel mortgage. The producer, after signing these documents, may obtain his loan from a lending agency approved by CCC, usually the local bank with which he normally does business. If he wishes, however, the farmer may obtain his loan direct from CCC.

The procedure for commodities other than cotton stored in approved warehouses is a little different. The producer merely presents his warehouse receipt to the county committee, signs a note, and then obtains his loan from a lending agency or CCC.

In the case of both farm- and warehouse-stored commodities, the farmer may repay his loan at any time before his note matures and is charged interest at the rate of 4 percent per year only for the period the loan was in effect. After such payment, the note is returned to the producer. In the case of a farm-storage loan, the mortgage is released, and in the case of a warehouse loan, the warehouse receipt is returned to the producer. If the producer does not repay his loan, the commodity is acquired by CCC and there is no interest charge to the producer.

Although CCC's loans are made without recourse to the borrower, the banks are fully protected in their investment in loan paper inasmuch as the bank can present the loan for purchase at any time and CCC is obligated to buy. A substantial portion of the loans made by banks are held until repaid by the producer or until maturity and many others are serviced by the banks without an investment of the bank's funds. At the maturity date, all unredeemed loans must be presented to CCC for purchase. The maturity date of the loan usually falls within the marketing year of the crop although some loans, such as certain ones on grain, have been extended to cover as long a period as 2 or 3 years. CCC reserves the right to call any loan on demand but has not done this to any great extent.

Cotton and Tobacco Loans

In the case of cotton loans, the producer's cotton must first be classed by a Board of Cotton Examiners of the U. S. Department of Agriculture. After the class has been obtained, the producer completes a loan form, attaches thereto the warehouse receipt or bill of lading, and obtains his loan from the local banker or direct from CCC. Disposition of the various cotton loan documents by the bank and use of certificates of interest are described in subsequent paragraphs.

Tobacco loans are obtained by producers through the 17 producer cooperative associations of the continental United States and Puerto Rico. The associations, under their contract with CCC, handle all operations connected with making loans. These operations of the associations are financed by CCC loans to the associations through banks acting as servicing agents for CCC--a commercial bank or Bank for Cooperatives. Under agreements with CCC, the banks disburse loans to the association, obtain immediate reimbursement by drawing drafts on CCC (payable at a Federal Reserve Bank), and hold the related documents, notes, and warehouse receipts for CCC. As the tobacco is sold, the bank releases the warehouse receipts to the associations and forwards the sales proceeds to the Federal Reserve Bank for the account of CCC. Monthly accounting reports also are prepared, for which the banks receive a fee.

Certificates of Interest

Most recent example of teamwork has been in connection with CCC's sale to banks of "certificates of interest." These certificates, which had been used for many years for financing loan operations in cotton, have made it possible for commercial banks to participate, to a greater extent than ever before in the overall financing of the price support program. Here is a brief description of how the scope of certificate of interest plan was broadened:

As a first step, CCC placed in a "pool" a total of \$360,000,000 in outstanding loans on farm commodities other than cotton. These were loans which had been disbursed by CCC or had been sold to CCC by commercial banks and in which CCC's funds were invested, i.e., they represented an investment of funds borrowed from the Treasury. Then CCC gave commercial banks the opportunity to buy on October 28, 1953 "certificates of inter-

est" in an amount equal to the pool total - \$360,000,000 - the certificates to bear interest at the rate of $2\frac{1}{2}$ percent per year and to be negotiable and payable upon demand. The certificates mature August 2, 1954.

From the banks' standpoint, the deal was highly satisfactory. They would collect interest at the rate of $2\frac{1}{2}$ percent a year with no risk involved, because CCC not only had guaranteed to re-purchase the certificates at any time, plus accrued interest, but also had agreed to hold in reserve at all times enough of its statutory borrowing authority to cover outstanding certificates. And it was a good deal for CCC, which was eager for private banks to assume a financial burden which would otherwise have to be taken care of through public borrowing.

Certificates Oversubscribed

Applications for the certificates totaled \$2,150,000,000--an oversubscription of 6 to 1--and were received from over 2,900 banks throughout the country. In view of the heavy oversubscription, participation in the pool was allotted as follows: Applications up to and including \$50,000 were allotted in full; applications exceeding \$50,000 were allotted on the basis of $13\frac{1}{2}$ percent of the amount of the application, except that no such allotment was for less than \$50,000.

CCC gave commercial banks an opportunity to buy on December 17, 1953 "certificates of interest" totaling \$450,000,000 or thereabouts in a new pool of outstanding cotton loans of the 1952 crop and 1953 crop cotton loans to cooperative associations which had previously been held in separate pools. These certificates bear interest at $2\frac{1}{4}$ percent per year, but the terms are otherwise similar to the terms on the certificates issued in October. Applications for the December 17, issue of certificates totaled \$1,204,746,000 and were received from 2,341 banks. Applications up to and including \$50,000 were allotted in full and applications exceeding \$50,000 were allotted on the basis of $34\frac{1}{2}$ percent of the amount of the application, except that no such allotment was for less than \$50,000.

It is expected that from time to time additional price support loans made by CCC or purchased from lending agencies by CCC will be placed in the pool and new offerings of certificates made.

Origin of Certificates

No innovation, the certificate of interest idea traces back to 1941, when certificates helped to solve a serious problem that had arisen in connection with cotton loans.

Prior to 1941, cotton producers had obtained loans from lending agencies, as now, on the basis of warehouse receipts. Frequently, however, producers who wished to redeem their loans found that the lending agencies, in the course of normal banking operations, had sold the loan and that the loan notes and warehouse receipts were in the hands of other financial institutions, some of which were hundreds of miles distant. Under these circumstances, the obtaining and releasing of loan documents

was an expensive procedure for the lending agencies but was objectionable primarily because of the delay and sometimes financial loss for producers.

CCC determined that the certificate of interest plan represented a practical method of financing which would eliminate these objectionable features. The plan works as follows: After a bank disburses a cotton loan, the bank forwards all notes and supporting warehouse receipts to the New Orleans Commodity Office for inspection and audit. Later these documents are sent to the Federal Reserve Bank serving the district in which the cotton is originally stored in order that the documents may be readily available if the producer desires to repay his loan. In exchange for the loan documents, a cotton certificate of equal value, bearing interest currently at $2\frac{1}{2}$ percent per annum, is issued to the bank. This certificate, which is assignable among banks signing a lending agency agreement with CCC, represents a direct obligation of CCC and is payable on demand.

Federal Reserve Part In CCC Operations

Since 1944, the Federal Reserve Banks have acted as direct fiscal agents of CCC in making disbursements and accepting deposits on all program activities. The Federal Reserve Banks make disbursements for CCC by drawing checks on an account CCC maintains with the Treasurer of the United States. CCC also issues drafts through county offices for most payments it makes directly to producers. These drafts clear through banking channels in the same manner as a check and are charged to CCC's account by the appropriate Federal Reserve Bank. Reserve Banks also accept receipts for CCC's account. Each day that proceeds from the sale of commodities and repayments of loans are exceeded by disbursements for the various program activities, CCC obtains additional funds to deposit with the Treasurer of the United States by borrowing from the Secretary of the Treasury against a statutory borrowing authority of \$6,750,000,000.

Direct Borrowing

When program activities are not financed by private banks, CCC borrows directly from the Secretary of the Treasury. Under CCC's statutory authority, the Secretary of the Treasury establishes an annual authorization for these borrowings. This authorization is on a fiscal year basis and specifies a maximum amount which may be outstanding at any one time; the amount being based on an estimate of CCC's overall needs for the year. Large borrowings are not made to meet estimated future cash requirements; instead, funds are obtained on a day-to-day basis by issuing interim notes in favor of the Secretary of the Treasury, the proceeds of which are deposited with the Treasurer of the United States.

The successful operation of this method of financing on a day-to-day basis is dependent upon receipt in the Washington office of CCC of daily telegraphic advices from the 36 banks and branch banks of the Federal Reserve Bank system as to the amount of disbursements and receipts recorded for the account of CCC. These advices are tabulated daily and the net disbursement or deposit on an overall basis is computed. If the summation shows need for borrowing, a note is executed and the amount borrowed

is deposited with the Treasurer of the United States.

When the daily summation of the day's disbursements and receipts discloses a balance in excess of a million dollars in the account, a repayment in multiples of a million dollars is made to the Secretary of the Treasury on amounts previously borrowed. This daily method of borrowing or repaying in accordance with actual cash needs results in a minimum amount of cash on deposit with the Treasurer of the United States and consequent savings in interest costs on borrowed funds.

Number of Banks Participating

During the 1953 fiscal year approximately 7,500 banks participated in CCC loan programs. These banks disbursed approximately 76 percent of the total CCC loans made. Banks disbursed 96 percent of the wheat loans and 94 percent of the corn loans made under CCC programs during this period and retained their investment in a large percentage of such loans. Banks making loans to producers under the 1953 cotton price support program are retaining their investment in more than 75 percent of such loans.

Under the terms of CCC lending agency agreements with banks, those banks that make loans under CCC price support programs and do not wish to retain their investment in the loans may sell the loans to CCC at any time and may elect to retain custody of the loan documents and service the loans for CCC on a fee basis.

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POTATO MARKETING BULLETIN

With demand for potatoes so inelastic that each 1 percent in supply is associated with approximately 3.5 percent change in price in the opposite direction, growers should strive to plant an acreage that under average growing conditions will produce a crop to satisfy the demand for potatoes... It appears at the present time that a crop of about 350 million bushels is required to meet annual domestic needs.

These are excerpts from a new publication of the U.S. Department of Agriculture titled: "Highlights of Potato Marketing," Agricultural Information Bulletin No. 114. Its author is A. Clinton Cook, marketing specialist, Fruit and Vegetable Division, Agricultural Marketing Service, USDA. The bulletin is interestingly written and well illustrated.

Purpose of the bulletin is to describe the marked changes which have taken place in potato marketing in recent years and to call attention to marketing practices which have proven most efficient. It also touches upon some of the other factors closely related to potato marketing.

Among other recommendations made by the author is one which will provide higher cash returns to growers - more careful harvesting and handling of potatoes from the time they are dug until loaded out for shipment to market.

Federal-State Marketing

Service Plan Matures

By Forest Hall

The Federal-State marketing service program set up under the Agricultural Marketing Act of 1946 has "grown up"--although it is only six years old. Financed on a matched-fund basis by the U. S. Department of Agriculture and State departments of agriculture or other State marketing service agencies, this cooperative endeavor has brought about marked improvement in the marketing of farm commodities in a number of States.

The program has developed into a hard-headed, business-like, nationwide program in which big things are being done, in a casual way and without fuss, that are bringing large benefits to producers, traders and consumers of farm products.

That is the judgment of the marketing experts--State commissioners of agriculture, directors of bureaus of markets, and their marketing specialists and USDA officials--who met recently in Louisville, Ky., to review their work of the last year and plan for the years ahead, as they do annually. Repeatedly, speakers at the four-day conference remarked that the program "has matured"; that there was a decided difference, this year, in the way the conferees reported on their achievements and laid their plans for future work.

Old and New Marketing Problems Discussed

Thirty States and one territory were represented at the conference. There were the usual discussions of better marketing practices that are being fostered under this State-operated program, which is financed jointly by Federal and State Governments. There were reports listing old and new problems that will be tackled by the State marketing specialists during the next fiscal year and later. All this material is being worked into final shape for the guidance of the marketing men, as is done each year. But, throughout the conference, there was this new element of "maturity," quite apparent to those who had attended the previous conferences as well as this one.

At the previous annual conferences, there had been much preliminary work in identifying specific marketing problems that confront agriculture. There were plenty of problems and difficulties; the effort was to select those problems that were most pressing and to find the best ways of solving them.

But at this 1953 meeting, the conferees knew where they were going,

and they wasted no time in laying out the routes by which they are going to get there.

Perhaps the surest measure of that "maturity" appeared in a decided change in the way State officials talked about work already done. In the earlier years of the program, there was a natural, and rather obvious, effort on the part of everybody concerned to cite and dwell upon specific achievements in better marketing. That was a natural thing; the program was new, and those in it were proud of the early successes and wanted to see the good work continued.

Dollar-And-Cents Improvements in Marketing

This year, bigger achievements than ever were mentioned--but they were mentioned with complete casualness. Nobody was surprised; everybody expected valuable achievements as a matter of course. Instances of dollars-and-cents improvements in marketing farm products--more money for farmers, better business for processors and traders, and better products for consumers--are, however, always of interest. A few of the many mentioned at the conference this year are described below:

A market information service developed by Illinois under the Federal-State program saved more than 50,000 bushels of peaches in one year. This service keeps fruit packers and dealers in 26 States advised of the supply and location of fruit crops at harvest time. In one area of the State, a hail storm shortly before picking time for peaches damaged the fruit seriously and made it necessary to pick and use it at once. Through a special, rapid distribution to the trade of information about this critical situation, all of the fruit was moved into consumption and processing channels, whereas without the service it is probable that nearly all the peaches would have been lost. The information was mailed out on a Thursday; by the following Wednesday, all the peaches had been sold.

Better Quality Cheese

The cheese manufacturing plants in a Wisconsin county had been having serious trouble with low quality in a large part of their products. In 1947, only about 27 percent of the output was top grade, and about 20 percent was completely below ordinary standards. State marketing specialists tackled the problem, advised and assisted the manufacturers in quality improvement practices. The result: in 1952, there was no substandard production, there was less of the intermediate quality, and the proportion of top grade cheese was far higher.

Poor ginning of cotton a few years ago was costing the North Carolina industry around a million dollars a year through loss of quality of the fiber while it was being ginned. Marketing specialists working under the Federal-State market service program in recent years have advised ginners on the proper types of equipment and its operation, helping with the installation of about 75 percent of the new equipment put into use. During this period, the "rough preparation" of cotton has been reduced sharply and it is estimated that growers in the State are getting half a million dollars more for their crop than they would have received if the old

methods and equipment had been continued in use.

In Maryland, cantaloup markets were suddenly swamped last year, the demand was saturated, and the price collapsed. The Maryland division of markets immediately put one marketing specialist on the long-distance telephone to talk with possible buyers, and another on the market. Within 24 hours, the logjam had been broken, the price recovered, and the market returned to normal--in fact, the demand quickly reached a level that pressed suppliers to meet it.

Sharply increased production of cranberries in Wisconsin resulted in a marketing problem. One variety, being produced in large volume, has been found to deteriorate rapidly when moved to the fresh market. Outlets were needed for 300,000 barrels of the crop one year. Through advance knowledge of the probable supply, compiled by marketing specialists, the industry was able to market this large volume at rising prices, the excess over needs for the fresh market being diverted to processing. Without this guidance, prices almost certainly would have collapsed and much of the crop might have been wasted.

Michigan Fruit Marketing Aided

A somewhat similar problem faced growers of cherries and peaches in Michigan. There, also, advance estimates were made by marketing specialists as to the volume of the crop, location of heaviest production, and time of ripening and harvest, so that the supply could be moved in an orderly way without gluts, spoilage, and temporary price collapses.

California milk producers and other buyers found that they were handicapped by wide and fluctuating margins between the prices received by growers for hay in the San Joaquin Valley and the prices they had to pay for the same hay in the dairying areas near the cities. An experimental market news service was established to bring accurate information to producers, dealers, and users of hay concerning supplies and prices. The price spread was greatly reduced. A need for marketing information on poultry and eggs in California was solved in a similar way, and the service proved to be so helpful that the State took it over after the experimental Federal-State service had proved its worth.

Other Marketing Services Needed

Rapid growth of local auction markets for livestock has caused a need for information to farmers on prices, volume of receipts, and other market news. Several States have set up systems of collecting and distributing such information, so that producers of livestock can be guided in marketing their stocks to the best advantage and can help to level out gluts and shortages in the flow of animals to market.

Numerous other instances of dollars-and-cents advantages flowing from the marketing service work were cited at the conference. The program for the next fiscal year, now being developed, is expected to produce more and more such results.

Marketing Briefs

(The program announcements summarized below are more completely covered in press releases which may be obtained on request from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. by citing the code number given at the end of each item.)

Cotton.--State acreage allotments for the 1954 crops of Upland (2877) and Extra Long Staple (2977) COTTON have been announced. A letter from Secretary of Agriculture Ezra Taft Benson to Rep. Jamie Whitten of Mississippi dealing with the necessity of legislation changing the present COTTON acreage allotment and marketing quota law has been made public. (2963). Certificates of interest for participation in Commodity Credit Corporation COTTON loans have been offered by USDA. (2982).

Dairy.--USDA announced a "two-way" plan for procurement of 10 million pounds of pasteurized processed CHEDDAR CHEESE under which the department will accept orders for sale of the product or for reprocessing and packaging of stocks of the natural product already acquired under price support operations. (2829). Later, the Department announced that contracts for 9,630,000 pounds of such cheese had been let. (2955). Plans to distribute up to 20 million additional pounds each of BUTTER and CHEESE under the current Section 32 program were announced November 17. (2821). Two contracts for the repackaging of 15,263,000 pounds of butter acquired under price support were announced. (2801)...Action was taken on the following milk marketing orders:

NEW YORK, (2885, 2896, and 3053); ST. LOUIS, (2875 and 2895); CINCINNATI, (2858); MEMPHIS, (2914); PHILADELPHIA, (3007); PUGET SOUND, (2976); BOSTON, LOWELL-LAWRENCE, FALL RIVER, SPRINGFIELD, AND WORCESTER, Mass., (2894); TOLEDO, (2809); WICHITA, Kans., (2869); DETROIT, (2879); and STARK COUNTY, Ohio, (3009).

Fruits and Vegetables.--Acreage and production guides for SPRING VEGETABLES and early commercial POTATOES have been announced by USDA. (2871)... A program to regain and develop export markets for perennial fruits and fruit products, formulated by the Nation's fruit industry and USDA, has been announced by Secretary Benson. (2834). The Secretary also announced the Foreign Agricultural Service, USDA, has substantially expanded its work on maintaining, regaining and expanding foreign markets for surplus or potentially surplus American farm products. (2848). Purchase of 228,000 cases of canned GRAPEFRUIT sections has been announced by USDA. (2962). USDA has invited growers and sheller to offer shelled PECANS for use in school lunch or other eligible outlets. (2918). For the first time grade standards for Frozen Concentrate for LEMONADE have been issued. (2805). Time for comments on proposed standards for CUCUMBER PICKLES has been extended to January 15, 1954. (2985). Action has been taken on the following marketing agreement programs:

Georgia PEACH Order, (2957); Oregon and Washington FILBERTS, (2874);

NAVEL ORANGE Order, (2872); California TOKAY GRAPES, (2859); WALNUTS, (3049) and a marketing agreement has been proposed for California and Arizona VALENCIA ORANGES. (2817).

Grain.--USDA has announced sales of a limited quantity of CCC-owned WHEAT for export in addition to grain moving under the International Wheat Agreement program. (2849). The program began for WHEAT on December 8 and for FLOUR on December 10. (2980). Need for an improved educational program was stressed by the Grain Sanitation Advisory Committee following a meeting here. (2824). Through November 15, farmers had put more than 542, 410,000 bushels of 1953-crop grains and related commodities under price support. (3024). Consideration is being given to increasing fees for appeal inspections of grain under the U. S. Grain Standards Act. (2847). USDA has purchased fan and motor assemblies for ventilating CCC grain stocks. (2898). USDA has made purchases for the Foreign Operations Administration of 22,000 cwt. of Great Northern BEANS. (2983). Earlier, the Department announced it would accept orders of about 45,000 cwt. of Great Northern or Pea Beans. (2906). Edward J. Bell, Pendleton, Ore., administrator of the Oregon Wheat Commission, is to head a FAS program to expand foreign markets for U. S. grain. (3002).

Livestock.--In a review of the Department's drought emergency feed program, Secretary Benson revealed that farmer requests for more than 1,200,000 tons of feed from CCC-owned stocks have been approved. (3018). The Secretary also pointed out that the Department's beef purchase program provided an outlet for more than 800,000 head of cattle, furnishing additional demand for lower grade cattle which came to market last fall. (2841). A preliminary study made by USDA of retail beef prices during September and October disclosed wide differences in prices between high and lower grade cuts of beef throughout the nation, but these differences seemed to be reasonably consistent with the wider than usual spread in prices between comparable high and lower grades of live cattle. (2799). Actions in connection with emergency livestock programs in drought and flood areas are covered in the following releases: 2844, 3017, 2965, 2948, 2932, 2902, 2873, 2826, 2833, 2868, 2816, 2811, 2812, and 2929.

Poultry and Eggs.--USDA, aided by industry, is to issue a weekly report on Poultry slaughtered throughout the country. (2994). Production prospects for 1954 were studied at a meeting of the Turkey Industry Advisory Committee. (2819). Sampling of liquid egg before freezing cuts costs and speeds quality tests, a research study has revealed. (3047).

Sugar.--Sugar quotas for 1954 totaling 8,000,000 short tons, raw value have been announced. (3052). Hearings have been set for allotment of 1954 quotas; January 18 in Chicago for domestic BEET area (3003) and January 6 in New Orleans for Mainland CANE area (3006). Changes under the 1953 quota are covered in 2807, 2861, 2862, 2956, and 2958.

Tobacco.--Marketing quotas have been proclaimed for FLUE-CURED (2922). BURLEY (2923), Virginia SUN-CURED (2925), FIRE-CURED and DARK AIR-CURED (2924) tobaccos.

Wool.--Minimum support prices for 1954 wool announced. (3015).

ABOUT MARKETING

The following addresses and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach and mail to the Agricultural Marketing Service, U. S. Department of Agriculture, Washington 25, D. C.

Addresses:

Let's Get On With the Job, by John H. Davis, Ass't. Sec'y. of Agriculture, before the 34th Annual Meeting of the Dairymen's League Cooperative Assn. at Syracuse, N. Y., Oct. 8, 1953.

Agriculture in a No-Peace-No-War Period, by John H. Davis, at the First Annual Minnesota State Mechanical Corn Picking Contest, Delavan, Minn., Oct. 10, 1953.

Publications:

A Methodological Study on Estimating Volume of Sales of Certain Foods in Retail Stores. June 1953. 15 pp. (PMA) (Processed)

Cleaning Cotton at Gins and Methods for Improvement. Circular No. 922. July 1953. 50 pp. (USDA) (Printed)

Effect of Atmospheric Conditions on Processing and Testing of Carded Cotton Yarn, 1953. 40 pp. (PMA) (Processed)

Fiber and Spinning Test Results for Some Varieties of Cotton Grown by Selected Cotton Improvement Groups, Crop of 1953. July 1953. 3 pp. (PMA) (Processed)

A Mechanical Cleaner-Mixer for Cottonseed Samples. August 1953. 16 pp. (PMA) (Processed)

Some Highlights from Consumer Egg Studies. AIB No. 110. June 1953 25 pp. (PMA) (Printed)

Highlights of Potato Marketing. AIB No. 114. October 1953. 56 pp. (USDA) (Printed)

Cotton Linters; Production, Marketing, and Market Outlets. Marketing Research Report No. 56. Nov. 1953. 49 pp. (USDA) (Printed)

1954 Vegetable Guides Program, Spring Vegetables for Fresh Market and Early Commercial Potatoes. Nov. 1953. 37 pp. (USDA) (Processed)

Price Programs of the U. S. Dept. of Agriculture. AIB No. 13, Revised December 1953. 94 pp. (USDA) (Printed)

An Analysis of Commercial Frozen Egg Products. Circular No. 932. October 1953. 16 pp. (USDA) (Printed)

Dairy and Poultry Market Statistics - 1952. Statistical Bulletin No. 135. October 1953. 122 pp. (PMA) (Printed)

Fiber and Spinning Test Results for Some Varieties of Cotton Grown by Selected Cotton Improvement Groups, Crop of 1953, Supplement No. 3. October 1953. 19 pp. (PMA) (Processed)

Fiber and Spinning Test Results for Some Varieties of Cotton Grown by Selected Cotton Improvement Groups, Crop of 1953, Supplement No. 4. November 1953. 21 pp. (PMA) (Processed)

Tables of Cotton-Fiber Tensile Strength for Use in Making Pressley Tests. Nov. 1953. 24 pp. (PMA) (Processed)

CCC Price Support Statistical Handbook. Nov. 1953. 80 pp. (Commodity Stabilization Service) (Processed)

Tentative Standard Grades for Farmers' Packings of Havana Seed Tobacco of Types 53, 54, and 55. Revised Oct. 22, 1953. 14 pp. (PMA) (Processed)

U. S. Standards for Grades of Canned Concentrated Orange Juice. Effective Dec. 12, 1953. Issued Nov. 1953. 13 pp. (PMA) (Processed)

U. S. Standards for Grades of Concentrated Orange Juice for Manufacturing. Effective Dec. 12, 1953. Issued Nov. 1953. 10 pp. (PMA) (Processed)

U. S. Standards for Grades of Frozen Concentrate for Lemonade. Effective Dec. 19, 1953. Issued Nov. 1953. 12 pp. (PMA) (Processed)

Suggested Staple Lengths for Grades of Grease Wool. Oct. 1953. 10 pp. (PMA) (Processed)

The Fertilizer Situation for 1953-54. Nov. 1953. 13 pp. (CSS) (Processed)

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